



**Raquel Noriega**  
Director  
Federal Regulatory

AT&T Services Inc.  
1120 20<sup>th</sup> Street, NW  
Suite 1000  
Washington, DC, 20036

Phone: +1.202.457.2141  
E-Mail: [raquel.noriega@att.com](mailto:raquel.noriega@att.com)

April 26, 2018

Marlene Dortch  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> St., SW  
Washington, DC 20554

**Re: Notice of Ex Parte Presentations (WC Docket No. 10-90; WT Docket No. 10-208) –  
Emergency Hurricane Relief in Puerto Rico and U.S. Virgin Islands**

Dear Ms. Dortch,

On April 26<sup>th</sup>, Mary Henze, Cathy Carpino and the undersigned of AT&T met with Commissioner O’Rielly’s Wireline Legal Advisor, Amy Bender.

In the meeting and as reflected in the enclosed presentation, AT&T explained that the communications network situation in Puerto Rico and the U.S. Virgin Islands post-Irma and Maria hurricanes remains serious. AT&T is committed to supporting Puerto Rico and Virgin Islands customers in both jurisdictions and is working to not only restore the network to pre-hurricane levels, but also to harden the network to withstand future hurricanes. To that end, AT&T strongly endorses Chairman Pai’s proposal for additional Universal Service Fund (“USF”) support to help restore and expand communications networks across Puerto Rico and the U.S. Virgin Islands.<sup>1</sup> Immediate additional USF support would accelerate ongoing recovery efforts and address the extraordinary costs resulting from the hurricanes.

AT&T believes that any new USF support provided to Puerto Rico and the U.S. Virgin Islands should come with modern accountability measures similar to those adopted for other post-2011 programs. For example, we recommend that the FCC clearly state that Puerto Rico and U.S. Virgin Island short-term funding recipients must use these resources for the restoration and hardening of equipment and network facilities for fixed or wireless voice and/or broadband services affected by Hurricanes Irma, Maria or both, including but not limited to purchase, installation, repair, and operation of cabling, poles, conduit, trenching, transmission towers, network nodes, electric generators to harden the network, and appropriate expenses directly associated with network and service recovery efforts (“Covered Expenditures”). We further recommend the FCC permit short-term funding supporting such Covered

---

<sup>1</sup> *Chairman Pai Unveils \$954 Million Plan to Restore and Expand Networks in Puerto Rico and U.S. Virgin Islands*, FCC Statement, March 6, 2018.



**Raquel Noriega**  
Director  
Federal Regulatory

AT&T Services Inc.  
1120 20<sup>th</sup> Street, NW  
Suite 1000  
Washington, DC, 20036

Phone: +1.202.457.2141  
E-Mail: [raquel.noriega@att.com](mailto:raquel.noriega@att.com)

Expenditures incurred since the date of the Presidential disaster declaration in the relevant Territory related to Hurricane Irma or Maria, as relevant, for a period of two years from that date. Additionally, we recommend the FCC prohibit use of such support for purposes not directly related to hurricane recovery, such as the retirement of company debt.

Further, the FCC should require all recipients of Puerto Rico and the U.S. Virgin Islands short-term funding to certify their compliance with this use of the funds and it should inform such recipients that they could be subject to a potential audit by the Universal Service Administrative Company. In addition, the Commission may want to consider a system that requires recipients to demonstrate proof of purchase or expense prior to receiving funding as a reimbursement.

In addition to supporting this new, “immediate” funding for hurricane recovery, AT&T expressed support for Chairman Pai’s proposal to inject additional medium- and long-term USF funding to help expand mobile and fixed voice and broadband service across Puerto Rico and the U.S. Virgin Islands.

For both medium- and long-term funds, AT&T supports transitioning quickly from the current legacy mechanism to a competitive process to allocate USF resources, but strongly urged the Commission to utilize a competitive Request for Proposal (“RFP”) process instead of an auction. Developing auction procedures and finding a slot on the Commission’s already full auction schedule would likely delay putting much needed USF support to work across Puerto Rico and the U.S. Virgin Islands. Further, AT&T believes that a competitive RFP process is the best way to efficiently allocate USF funds in a timely manner for a relatively small geographic area. AT&T looks forward to working with the Commission and other stakeholders through this proceeding to help formulate an efficient competitive mechanism to allocate these scarce funds.

Should you have any questions related to these matters, please direct any questions to the undersigned.

Sincerely,

/s/

Raquel Noriega

cc: Amy Bender

# Reconnecting Puerto Rico and the Virgin Islands

---

April 2018



# USF Support in Puerto Rico & Virgin Islands Is Necessary



Support Ongoing Recovery



Support Relief from Unreliable Electric Grid



Help Meet Growing Mobile Demand



Invest in Hardening the Network



Expand Broadband Service

# Reinforce Ongoing Recovery Efforts



Continue support for ongoing recovery efforts for both mobile and wireline network

- Support and accelerate restoration of damaged cell towers across Puerto Rico & US Virgin Islands impacted by Irma and Maria
- Replace and harden network facilities
- Short and medium-term need

# Provide Relief from Unreliable Electric Grid



## Replace & Expand Electric Generators

- Generators have become a critical network element as the electric grid remains unreliable
- Existing generators have a short life-span due to out-of-spec intensive use
- Increased placement of generators throughout network
- AT&T alone has immediate need for over 200 new generators

# Investment to Meet Growing Mobile Demand



Capacity must grow beyond pre-Irma and Maria levels to keep up with extraordinary mobile demand

- AT&T must increase mobile network capacity above & beyond its projected pre-hurricane plans in order to support extraordinary customer demand
- Many households still lack reliable home broadband service and are using their mobile service for Internet access
- Average mobile use (voice & data) in March 2018 vs August 2017 up 63% in Puerto Rico & 69% in Virgin Islands

# Getting Ready for the Next Maria



New network must be built to withstand future hurricanes

Investment needed above & beyond standard network architecture designs to harden-networks across PR & VI

- Maximize the population served by buried infrastructure
- Diversify key fiber routes to maximize network resiliency
- Replace aerial construction with buried facilities – not just for critical infrastructure
- Expand emergency backup microwave wireless backhaul capabilities
- Reinforce existing poles & towers



# Restore & Expand Fixed Broadband



## Lay Foundation for Fixed Broadband Deployment

Immediate and medium-term funding can establish base for long term expansion of broadband deployment.

MOBILIZING  
**YOUR**  
WORLD™

